

AN ORDINANCE

34783

AUTHORIZING THE MAYOR TO EXECUTE AN AMENDED COOPERATION AGREEMENT WITH THE URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO FOR THE UNDERTAKING AND COMPLETION OF AN URBAN RENEWAL PROJECT, TITLED CIVIC CENTER PROJECT, TEX. R-83 FOR THE CITY OF SAN ANTONIO

WHEREAS, the City has entered into cooperation agreements with the Urban Renewal Agency of San Antonio for the financing and execution of Civic Center Urban Renewal Project, Tex. R-83, on August 27, 1964, and July 7, 1966; and

WHEREAS, due to changes and amendments to the Project boundaries and in the expenditures to be made within the Amended Project Area by various agencies, an amended cooperation agreement is necessary; and

WHEREAS, the City desires to enter into an amended agreement with the Urban Renewal Agency of the City of San Antonio for the purpose of expediting and assuring the completion of the Urban Renewal Project, Civic Center Project, Tex. R-83, located within the city limits of the City of San Antonio, Bexar County, Texas;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

Section 1. The Mayor is hereby authorized to execute an Amended Cooperation Agreement with the Urban Renewal Agency of the City of San Antonio for the undertaking and completion of the Urban Renewal Project, Civic Center Project, Tex. R-83, within the city of San Antonio, Bexar County, Texas.

Section 2. The Amended Cooperation Agreement is attached hereto and made a part thereof.

PASSED AND APPROVED this 1st day of September, 1966.



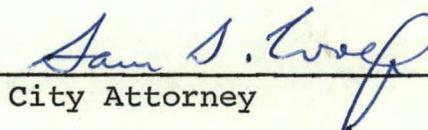
MAYOR

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney

66 851

Ord 34783
Sept 1, 1966.

COOPERATION AGREEMENT

This Agreement, made and entered into this 1st day of September, 1966, by and between the Urban Renewal Agency of the City of San Antonio (hereinafter called the "Agency") and the City of San Antonio, Texas, a Municipal Corporation (hereinafter called the "City"),
WITNESSETH:

WHEREAS, the Agency is a public body corporate and politic, created and existing pursuant to the Urban Renewal Law of Texas, and is transacting business and exercising powers granted in said law and by virtue of authority granted to it by the City of San Antonio, Texas; and,

WHEREAS, the Agency with the aid and cooperation of the City proposes to undertake and carry out certain Urban Renewal activities in the City of San Antonio, Texas, including particularly the project called Civic Center Project, Tex. R-83, (hereinafter called the "Project") in accordance with the Urban Renewal Plan for said project, dated August 5, 1964, as amended August 18, 1966, and pursuant to the provisions of the Urban Renewal Law of Texas; and,

WHEREAS, the approved Amended Urban Renewal Plan provides and the Agency proposes to acquire certain property and improvements within the Project Area for clearance and redevelopment in accordance with the Amended Urban Renewal Plan and to undertake other Urban Renewal activities including the installation of site improvements and preparation of the land for redevelopment; and,

WHEREAS, the Agency proposes to enter into a Loan and Capital Grant Contract with the Secretary of the Department of Housing and Urban Development of the United States of America providing for financial assistance pursuant to Title I of the Housing Act of 1949, as amended, for such land acquisition, clearance, preparation for sale and redevelopment, and other project activities, the type and amounts of proposed Federal Aids being as follows:

1. A loan or loans in an amount sufficient to enable the Agency to defray the gross cost of the Project, but in no event to exceed \$ 33,273,885.00
2. A Project Capital Grant in an amount not to exceed \$ 20,052,242.00 ;
3. A Relocation Grant in an amount not to exceed \$ 885,795.00 ;
and,

WHEREAS, the City has heretofore agreed and now desires to provide Local Grants-in-Aid to and in connection with the undertaking and carrying out of said Project; and

WHEREAS, the City and Agency have also heretofore agreed to cooperate financially in the execution of said Project, Tex. R-83, as evidenced by their cooperation agreement dated August 27, 1964, and July 7, 1966; and

WHEREAS, during the execution of said Project, and pursuant to the terms of the Amended Urban Renewal Plan, therefore additional Grants-in-Aid will require that a revised cooperation agreement be executed between the City and the Agency for the effective carrying out of said Project;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the Agency and the City mutually agree as follows:

1. The Agency agrees to diligently and forthwith proceed with all necessary actions, work and undertaking to carry out the proposed and approved Urban Renewal Plan in the following described Urban Renewal Project Area and to carry out and fulfill the proposed Loan and Capital Grant Contract by and between it and the United States of America, said Project Area being identified as the Civic Center Project, being further identified as Project Tex. R-83, situated in the City of San Antonio, Bexar County, Texas, and bounded as follows:

METES AND BOUNDS DESCRIPTION

Urban Renewal Agency of the City of San Antonio, Civic Center Project, Tex R-83, comprising 147.413 acres of land more or less and more fully described as follows:

Beginning at a point for corner in the North R.O.W. line of Commerce St. said point being the intersection point of the East R.O.W. line of La Salle St. extended and the North R.O.W. line of Commerce St.;

Thence S. 14° 20' 20" W. along said East R.O.W. line of La Salle St. 221.90 ft to an iron pin in the West R.O.W. line of the proposed IH-37 Expressway

Thence along and with the West R.O.W. line of said proposed IH-37 Expressway as follows:

S. 75° 49' 40" E. 55.56
N. 14° 20' 20" E. 141.90
S. 75° 49' 40" E. 55.56
S. 14° 20' 20" W. 282.00
S. 33° 02' 45" E. 81.86
S. 14° 10' 20" W. 130.58
S. 11° 22' 14" W. 33.38
S. 42° 58' 40" W. 80.75
N. 85° 22' 13" W. 86.88
S. 42° 34' 42" W. 138.30
S. 43° 06' 59" W. 116.60
S. 01° 25' 09" E. 79.82
S. 43° 06' 59" W. 139.00
S. 19° 25' 10" E. 63.10
S. 43° 06' 59" W. 39.00
S. 45° 33' 16" E. 56.00
S. 06° 09' 43" E. 72.32
S. 46° 54' 01" E. 55.34
N. 43° 06' 59" E. 83.20
S. 45° 33' 16" E. 196.75
S. 43° 06' 59" W. 77.84
S. 45° 33' 16" E. 152.30
S. 25° 17' 25" E. 59.56
S. 45° 33' 16" E. 100.00
S. 43° 06' 59" W. 40.77
S. 25° 57' 01" E. 166.00
S. 01° 59' 32" E. 86.60
S. 00° 00' 14" E. 317.00
S. 89° 59' 46" W. 55.50
S. 00° 00' 14" E. 102.00
S. 44° 56' 40" E. 78.50
S. 00° 00' 14" E. 448.90
N. 62° 42' 40" W. 56.11
S. 35° 43' 46" W. 15.88
N. 54° 16' 14" W. 55.60 and
S. 35° 43' 46" W. 128.50 to a point for corner said point being the intersection of the South R.O.W. line of Victoria St. and the West R.O.W. line of proposed IH-37 Expressway.

Thence along and with the South R.O.W. line of Victoria St. N. 54° 16' 14" W. 938.15 Ft. to a point for corner at Labor St.;

Thence S. $89^{\circ} 24' 51''$ W. across Labor St. 55.94 Ft. to a point for corner in the South R.O.W. line of Victoria St.;

Thence along and with the South R.O.W. line of Victoria St. N. $47^{\circ} 30' 39''$ W. 844.45 ft. to the point of intersection of the South line of Victoria St. and the East line of Matagorda St.;

Thence along and with the East line of Matagorda St. S. $42^{\circ} 26' 34''$ E. 391.66 ft. to the point of intersection of the East line of Matagorda St. and the South line of Lavaca St.;

Thence along and with the South line of Lavaca St. N. $47^{\circ} 32' 37''$ E. 502.88 ft. to the point of intersection of the South line of Lavaca St. and the East line of Water St.;

Thence along and with the East line of Water St. S. $42^{\circ} 41' 15''$ W. 154.53 ft. to the point of intersection of the East line of Water St. and the North line of Refugio St.;

Thence N. $88^{\circ} 04' 30''$ W. 78.02 ft. across Alamo St. to a point in the West R.O.W. line of Alamo St.;

Thence along and with said West R.O.W. line of Alamo St. as follows:

N. $17^{\circ} 53' 46''$ E. 33.59 ft.
N. $05^{\circ} 51' 51''$ E. 74.69 ft.
N. $03^{\circ} 55' 58''$ E. 82.80 ft.
N. $01^{\circ} 49' 55''$ E. 65.19 ft.
N. $03^{\circ} 25' 03''$ W. 33.60 ft. to a point at the intersection of the West line of South Alamo Street with the North line of Martinez St.;

Thence N. $88^{\circ} 44' 39''$ W. 373.48" with the North line of Martinez Street to a point at the intersection of the East line of South Presa St. and said North line of Martinez Street, the Southwest corner of the tract herein described:

Thence N. $16^{\circ} 23' 02''$ W. 511.32' with the East line of South Presa Street to a point;

Thence N. $08^{\circ} 47' 17''$ E. 201.52' with the East line of South Presa to a point;

Thence S. $75^{\circ} 33' 57''$ E. 87.75';
S. $08^{\circ} 26' 03''$ W. 158.53';
S. $72^{\circ} 13' 43''$ E. 76.20';
N. $08^{\circ} 42' 43''$ E. 217.00';
S. $72^{\circ} 11' 44''$ E. 77.48';
and N. $08^{\circ} 45' 26''$ E. 271.82'; to a point in the South line of Nueva Street;

Thence along and with the South line of Nueva St. N. $79^{\circ} 48' 20''$ W. 273.92 ft. to the point of intersection of the South line of Nueva St. and the West R.O.W. line of Presa St.;

Thence along and with the West R.O.W. line of Presa St. as follows:

N. 06° 41' 10" E. 59.92 ft.
N. 02° 42' 30" E. 531.48 ft.
N. 18° 30' 34" E. 94.43 ft. and
N. 22° 43' 01" E. 259.10 to the point of intersection of the West line of Presa St. and the North line of Market St.;

Thence along and with the North line of Market St. S. 75° 08' 18" E. 432.82 ft. to a point in the West R.O.W. line of the San Antonio River;

Thence along and with said West line of the San Antonio River as follows:

N. 01° 09' 28" W. 105.41 ft.
N. 02° 48' 37" W. 107.74 ft. and
N. 04° 46' 09" W. 70.41 ft. to a point for corner in the North R.O.W. line of Commerce St.;

Thence along and with the North R.O.W. line of Commerce St. as follows:

S. 73° 13' 59" E. 135.95 ft.
S. 75° 28' 50" E. 107.02 ft.
S. 72° 36' 05" E. 60.88 ft.
S. 75° 34' 05" E. 319.27 ft.
N. 80° 32' 02" E. 39.67 ft. and
S. 75° 35' 57" E. 1635.84 to the point of beginning and containing 147.413 acres of land more or less.

2. The City agrees pursuant to and within the procedures required by its Charter and all applicable laws, to provide Local Grants-in-Aid, and to otherwise cooperate in the undertaking and completion of said proposed Urban Renewal Project in the following respects, to-wit:

- a. To cooperate to the fullest reasonable extent with the Agency in all respects as may appear necessary and required from time to time in order to bring the proposed Project to its final and successful completion in an orderly and diligent manner.
- b. To provide such Local Grants-in-Aid to the Project as shall be required and at such times as shall appear appropriate for the Agency to earn and be entitled to receive from the Federal Government a full 2/3 of the net Project cost of said Project as a Project Capital Grant by the United States Government, including the following specifically described donations, site improvements and supporting facilities, to-wit:

(1) Contribution by way of land donation of City-owned parcels as follows:

Parcel No. 336, NCB 683	\$ 6,625.00
Parcel No. 534, NCB 704	<u>7,100.00</u>
TOTAL	\$13,725.00

(2) Contribution by way of land donation of City-owned land by and through the City Public Service Board

Parcel No. 527, NCB 612 \$5,050.00

(3) Constructing and providing paving, curbs, gutters and sidewalks for interior streets as follows:

(a) Market Street, plus 10% engineering fee and contingencies - \$30,134.50.

(4) Constructing and providing paving, curbs, gutters and sidewalks for perimeter streets in connection with the project area at an estimated cost of \$28,198.60 (Victoria Street) for which 50% plus engineering fee and contingencies or \$15,509.23 shall apply as Local Grants-in-Aid credit in connection with the project.

(5) Providing a Public Transit Parking Station at an estimated cost of \$50,290.00.

(6) Acting by and through its City Public Service Board, construct and provide a total underground

electrical system including the following items: Remove all existing overhead systems, provide new street lighting, install traffic signal equipment, install total underground distribution system, changes in existing underground, Sub-station and feeder for project, and Engineering fees and contingencies; estimated to cost \$1,073,600.00.

- (7) Providing a fire alarm system estimated to cost \$5,900.00.
- (8) Acting by and through its Water Works Board of Trustees, providing water distribution system estimated to cost \$254,703.00.
- (9) Acting by and through its City Public Service Board, providing gas distribution facilities estimated to cost \$143,491.00.
- (10) Providing sanitary sewer extensions and mains in the amount of \$74,297.47.
- (11) Providing three (3) parking structures, with a designed capacity of 3000 cars; estimated to cost \$3,600,000.00.
- (12) Providing land for a 25-acre park and all attendant development items including but not necessarily limited to: landscaping, plant materials, pavings of walks & plazas, area and aesthetic lighting, lake and waterway, drinking fountains, restrooms, outdoor furniture and fixtures, display water fountains, site clearing and grading, maintenance support building, pedestrian ramps and bridges over waterway and perimeter aesthetic fencing; estimated to cost \$3,814,829.00.
- (13) Acting by and through its City Water Board, construct and equip a central heating and water chilling plant including land cost, fees, and contingencies for a capacity of 10,000 tons chilled water and 100,000,000 BTU's/hour, estimated to cost \$4,187,375.00.
- (14) Providing an adequate storm drainage system; estimated to cost \$333,932.00.

3. In addition to the above specifically identified Local Grants-in-Aid donations and facilities, it is understood that other supporting facilities have already been constructed within the project area, and site improvements in connection with the Project include the following:

- a. Paseo Del Rio bridge and stairways, \$66,585.00;
- b. Paseo Del Rio pedestrian gateway, \$80,756.00.

4. It is further agreed between the Agency and the City that upon completion of acquisition and demolition that the Agency will sell and/or lease to the City and the City will purchase through direct purchase and/or long-term lease purchase agreement from the Agency for cash consideration the following:

Parcel No. 1	\$	18,400.
Parcel No. 2		69,100.
Parcel No. 3 (pt)		450,775.
Parcel No. 4		40,300.
Parcel No. 5		80,600.
Parcel No. 6		2,074,625.
Parcel No. 7		22,600.
Parcel No. 8		87,800.
Parcel No. 9		20,100.
Parcel No. 10		<u>21,300.</u>
Total		\$2,885,600.

said purchases or long-term lease purchases being made in connection with a Civic Center development and for related public municipal uses.

Conveyance and/or long-term lease purchases of the above-described tracts will be subject to the following affirmative covenant to be contained in the deed or deeds or leases:

"The City, for itself, successors and assigns, shall not discriminate upon the basis of race, color, creed or national origin in the sale, lease, rental or in the use or occupancy of the property, any improvements erected or to be erected thereon, or any part thereof."

In addition, conveyance of the above-described tracts will be subject to the following conditions of redevelopment:

- a. Regulations, controls and restrictions as set out in the before-mentioned Urban Renewal Plan.
- b. The City, for itself, and its successors and assigns, will require the following equal employment opportunity provision in any contracts for improvements on the before-described land:

During the performance of this contract, the contractor agrees as follows:

- "a. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Contractor will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Agency setting forth the provisions of this non-discrimination clause.

- "b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color or national origin.
- "c. The Contractor will send to each labor union or representative of workers with which the Contractor has a collective bargaining agreement or other contract or understanding, a notice, to be provided advising the said labor union or workers' representative of the Contractor's commitments under this Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- "d. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- "e. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor or the Secretary of Housing and Urban Development, pursuant thereto, and will permit access to the Contractor's books, records and accounts by the Agency, the Secretary of Housing and Urban Development, and the Secretary of Labor for the purposes of investigation to ascertain compliance with such rules, regulations and orders.
- "f. In the event of the Contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by Law.
- "g. The Contractor will include the provisions of Paragraphs (a) through (g) of this Section in every sub-contract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub-contractor or vendor. The Contractor will take such action with respect to any construction contract, sub-contract, or purchase order as the Agency or the Department of Housing and Urban Development may direct as a means of enforcing such provisions, including

sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Agency or the Department of Housing and Urban Development the Contractor may request the United States to enter into such litigation to protect the interests of the United States."

5. The City hereby agrees and obligates itself that each and every public facility and public utility provided and to be provided in or in connection with the project area, will be open to all persons without regard to race, color, creed or national origin after renewal of the project area.

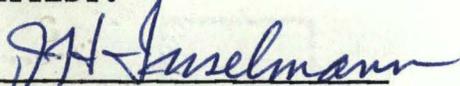
6. It is understood that the City of San Antonio is obligated to the payment of 1/3 of the net Project cost incurred in connection with the undertaking and completion of the proposed Urban Renewal Project, and it is estimated that the City will receive Local Grants-in-Aid against its share of the net Project cost in an amount hereinabove mentioned and described and provided Local Grants-in-Aid credit therefor shall be established. If, for any reason, any one or more of such items are not constructed, provided, or granted, or if the contemplated Local Grants-in-Aid credit therefor is not established the City further agrees to make available and pay over to the Agency in the form of cash or eligible Local Grants-in-Aid such additional amounts as shall be necessary to meet the City's share of the net Project Cost, hereinabove indicated.

7. The City further represents that it has the financial capacity and ability to meet each of the obligations which it assumes by virtue of this agreement and that it will provide the indicated Local Grants-in-Aid in timely and orderly manner as the same shall be required for the undertaking and completion of said Project, and in any event every such obligation shall be fulfilled within three (3) years from the date of this Agreement.

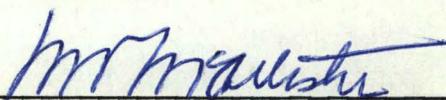
8. The City further agrees, pursuant to and within the procedures required by its Charter and applicable laws, to take such actions as may be required from time to time to vacate those portions of streets and alleys and to accept dedication of other areas for streets and other public purposes as may be necessary and proposed in said approved Urban Renewal Plan, and to zone and rezone all Project property in accordance with said Urban Renewal Plan.

IN WITNESS WHEREOF, the City of San Antonio and the Urban Renewal Agency of the City of San Antonio have caused these presents to be executed by their Mayor and their Chairman, respectively, and have caused the signatures of such Mayor and Chairman to be attested and the seals of said respective Agencies to be affixed on the date hereinabove first provided.

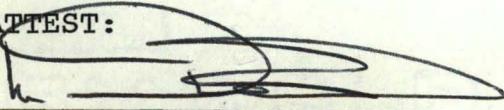
ATTEST:


City Clerk

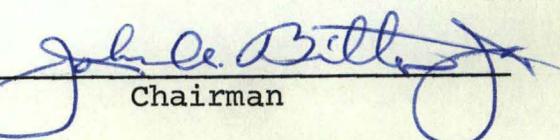
CITY OF SAN ANTONIO


W. W. McAllister, Mayor

ATTEST:


M. Winston Martin, Secretary

URBAN RENEWAL AGENCY OF THE
CITY OF SAN ANTONIO

By 
Chairman

A RESOLUTION

OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY AUTHORIZING THE CHAIRMAN TO EXECUTE AN AMENDED COOPERATION AGREEMENT WITH THE CITY OF SAN ANTONIO FOR THE UNDERTAKING AND COMPLETION OF AN URBAN RENEWAL PROJECT, TITLED CIVIC CENTER PROJECT, TEX. R-83, FOR THE CITY OF SAN ANTONIO.

WHEREAS, the Agency desires to enter into an Amended Cooperation Agreement with the City of San Antonio for the purpose of expediting and assuring the completion of the Urban Renewal Project, Civic Center Project, Tex. R-83, located within the city limits of the City of San Antonio, Texas County, Texas;

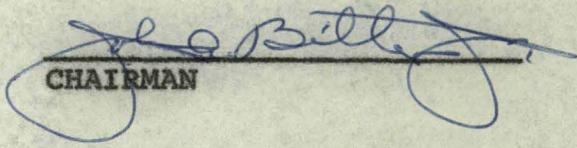
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO:

1. The Agency's Chairman is hereby authorized to execute an Amended Cooperation Agreement with the City of San Antonio for undertaking and completion of the Urban Renewal Project, Civic Center Project, Tex. R-83, within the City of San Antonio, Bexar County, Texas.

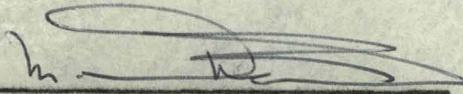
2. The Amended Cooperation Agreement is attached hereto and made a part hereof.

PASSED AND APPROVED this 30th day of August, 1966.

APPROVED:


CHAIRMAN

ATTEST:


Executive Secretary

Res. No. 866

(Seal)



HOUSING AND HOME FINANCE AGENCY
URBAN RENEWAL ADMINISTRATION • Washington, D.C. 20410

November 30, 1964

LOCAL PUBLIC AGENCY LETTER NO. 313

SUBJECT: Disposal of Urban Renewal Property by Long-Term Lease

Project land may be disposed of by long-term lease to a private redeveloper, including a nonprofit or institutional organization, or to a public agency. The LPA may obtain a Federal definitive loan to finance or refinance the capital value of project land which has been disposed of by long-term lease.

This Letter sets forth URA policies and requirements governing the disposal of real property by long-term lease and definitive loan financing. The policies and requirements stated in this Letter assume that definitive loans will be used for long-term leases. HHFA will concur in certain modifications of the policies pertaining to long-term leases when the LPA provides, prior to the execution of the lease agreement, conclusive evidence that it will finance the capital value without definitive loan financing.

This Letter supplements the policies and requirements on land disposal contained in Urban Renewal Manual, Part 14, and in LPA Letters No. 279, 288, 293, and 302.

If the LPA contemplates the disposal of land and improvements by long-term lease for rehabilitation, it should request guidance from the HHFA Regional Office.

DEFINITIONS

Long-Term Lease. A lease for a period of time, usually more than 40 years but in no event less than 25 years.

Annual Rent. The amount stated in the lease agreement as payable by the lessee for the use of the land each year of the lease.

Public Charges. Charges, in addition to annual rent, required under the lease agreement to be paid by the lessee for real estate taxes or their equivalent, and other taxes, assessments, and similar charges levied on the land.

Capital Value. The value of the land imputed from the annual rent, determined in accordance with this Letter. 114

Definitive Loan. A loan provided under a Federal contract to enable the LPA to finance the payment of the capital value of the leased land, or

the unpaid portion thereof, into the project accounts. This loan may be obtained through private financing by the sale in the open market of bonds that are secured by the full faith and credit of the United States, or through a direct loan made by HHFA.

* PREREQUISITES TO DISPOSAL OF LAND BY LONG-TERM LEASE

In order to dispose of land by long-term lease, the LPA must be:

1. Authorized under State or local law to dispose of the land by lease, and to pay or engage in any financing to enable it to pay into the project accounts the capital value of the leased land.
2. Prepared and able either to pay from other than project funds into the project accounts the capital value of the leased land as required by Section 110(f) of Title 1, or to enter into a definitive loan agreement by amendment of the Contract for Loan and Grant in order to borrow the funds needed to pay the capital value of the leased land.

Small Lot Prohibition

Leasing shall not be used for the disposal of residential land for sales housing in building lots to individuals, or in parcels of land for subdivision into building lots for redevelopment by subdivision builders. Exceptions may be authorized when definitive loan financing will not be used.

DISPOSAL METHOD AND HHFA CONCURRENCE

For a long-term lease, the LPA shall submit to the HHFA Regional Office, for concurrence, its proposed method of disposal of the land generally in accordance with the requirements of Urban Renewal Manual, Part 14, for Disposal for Public and Nonprofit Institutional Uses (Section 14-3-3), Disposal Under Open Competitive Conditions (Section 14-3-5), or Negotiated Disposal for Private Redevelopment (Section 14-3-6), as appropriate. If residential land is involved, the requirements of LPA Letter No. 279, subject "HHFA Concurrence in Disposal Price of Land for Private Residential Redevelopment," also apply.

The LPA submission shall be modified as necessary for a proposed disposal of land by long-term lease, but in any case shall include:

1. Proposed form of lease agreement.
2. Statement of the proposed fair value of land to be leased.
3. Current rate of rent applicable to the locality at which long-term land leases are made.
4. Proposed minimum annual rent.

- 5. Certified copy of resolution of LPA governing body incorporating a determination that the proposed capital value is not less than fair value for uses in accordance with Urban Renewal Plan, and that the minimum annual rent is not less than the fair rental value. If a purchase option is provided, the resolution shall determine that the option price is not less than fair value at the time the resolution is adopted.

PURCHASE
OPTION

PURCHASE
OPTION 2

Invitation for Proposals

The LPA's invitation to prospective redevelopers may permit proposals to lease, proposals to purchase, or both. For a competitive disposal, the LPA shall include in the invitation, and in any advertisements and public announcements, notice that the land is available for redevelopment under long-term lease. The disposal documents prescribed by the LPA shall include either the form of lease agreement or the basic terms and conditions that will be incorporated in the lease agreement.

Appraisals

The fair value of the land to be leased, the current applicable rate of rent at which long-term land leases are made, and the acceptable annual rent shall be determined by the LPA on the basis of two reuse appraisals made by competent independent appraisers. Among other things, the appraisal reports shall make findings of these values and rate.

2 REUSE
APPRAISALS

EXECUTION OF LEASE AGREEMENT

Before execution of a lease agreement with a redeveloper, the LPA shall submit the complete agreement for concurrence of the HHFA Regional Office.

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If the lease agreement is acceptable and definitive loan financing may be needed, the Regional Office will furnish the LPA with an appropriate amendment to the Contract for Loan and Grant authorizing a definitive loan to be made when needed. The LPA may execute the lease agreement and deliver it to the redeveloper only after the LPA executes and returns the contract amendment to the Regional Office.

1/ Contract services for reuse appraisals for disposal of land by lease, and for supplementing appraisals to obtain the data needed for a disposal by lease, shall be obtained through use of Form H-324, Form of Contract for Reuse Appraisal of Redevelopment Sites, modified as necessary to obtain the required data and findings.

2/ Pending issuance of a standard form of lease agreement, a lease agreement covering urban renewal land shall include the terms and conditions contained in Form H-6209B, Terms and Conditions--Part II of Contract for Sale of Land for Private Redevelopment. The LPA may modify Form H-6209B as necessary to make it appropriate for use in a disposal of land by lease and may make such other modifications as may be authorized by the HHFA Regional Office. (See LPA Letter No. 296.)

- 4 -

Annual Rent

The amount of annual rent must not be less than fair rental value, as concurred in by the HHFA Regional Office. The minimum fair rental value is determined on the basis of the fair value of the land in fee at the time of the lease and the annual rate of rent applicable to the locality.

The annual rent, as a minimum, must be sufficient to pay the principal and interest on any definitive loan that may be entered into to finance the payment of the capital value of the leased land.

Rent payments under the lease agreement may not be applied in any way to the subsequent purchase of the land by the lessee. However, with prior concurrence of the HHFA Regional Office, the lease agreement may provide for specified periodic payments, in addition to the annual rent, to be credited as payments on the purchase option price. The lease may provide for the refund of such payments if the purchase option is not exercised.

The payment of annual rent shall begin on the date possession of the leased premises is granted to the redeveloper under the lease. Regular periodic payments shall be made not less frequently than annually, in advance of the period covered by each payment.

Determination of Capital Value

The capital value shall be determined by dividing the annual rent specified in the lease agreement by the previously concurred-in rate of rent. The capital value must be not less than the fair value of the land in fee at the time of the lease. The capital value of the annual rent determined in this way provides a valid basis for comparing the proposed lease with offers to purchase.

Term of Lease

The term of the lease begins with the date on which the lessee is granted possession of the leased premises in accordance with the lease agreement. The term of the lease shall be of sufficient duration to provide to the LPA, solely through annual rents, funds to repay any definitive loan that may be obtained by the LPA to finance the payment of the capital value of the leased land.

If the leased land is for residential redevelopment for which a mortgage insured by the Federal Housing Administration is contemplated, the term of the lease may not be less than that acceptable to FHA. Generally, FHA requires (1) a term of not less than 99 years which is renewable, or (2) a period of not less than 75 years to run from the date the mortgage is executed.

A lease for less than 25 years or for temporary and interim use of the land is not an authorized disposal.

Public Charges

The lease agreement shall provide for public charges, in addition to the annual rent, to be paid by the lessee beginning with the date the lessee is granted possession of the leased land.

ANNUAL RENT

CAPITAL VALUE

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Good Faith Deposit

After the granting of possession to the lessee of the leased land, in accordance with Urban Renewal Manual, Section 14-2-3, the good faith deposit may be returned to the lessee or applied to the annual rent under the lease agreement.

NOT LESS THAN 5%
SAME AS
REQUIRED BY
THE CONTRACT
FOR LAND
DISPOSITION

Payments for Purchase Option Rights and Bonus Payments

A lease agreement may provide for the payment of a single lump-sum amount by the redeveloper to the LPA, at or before the time that possession of the leased property is granted to the redeveloper under the lease, for either or both of the following:

1. Consideration for a purchase option granted to the redeveloper.
2. Consideration, in addition to annual rents and public charges, as a bonus for entering into an agreement to lease.

Payments of this nature shall be treated as disposition proceeds (in addition to capital value).

Purchase Option

The lease agreement may provide for an option by the lessee to purchase from the LPA the fee title to the leased land.

The purchase price stated in the lease agreement shall be not less than the capital value of the leased land at the time the agreement is executed. If a definitive loan may be required, the lease agreement shall provide that the actual price to be paid by the redeveloper, at the time the purchase option is exercised, shall be at least the larger of:

1. The purchase option price stated in the lease agreement.
2. The amount required to redeem the definitive loan bonds that are outstanding when the option price is payable. This amount is the sum of the following:
 - a. The amount required to pay the aggregate principal amount of the bonds outstanding at the time the purchase price is paid.
 - b. The amount of interest payable on the outstanding bonds from the date the option price is paid to the earliest date on which the bonds can be called for redemption. (Federally guaranteed bonds sold in the private market ordinarily will not be callable for 10 years after the initial bond date.)

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- c. The amount required to pay the call premium on the principal amount of the bonds outstanding on the date they are called.
- d. Related costs of redeeming the bonds, such as paying agent fees and advertising costs.

DEFINITIVE LOAN TO FINANCE CAPITAL VALUE OF LEASED LAND

DEFINITIVE LOAN REQUIREMENTS

HHFA will tender to the LPA, in any case where a definitive loan may be required, an amendment to the Contract for Loan and Grant authorizing the making of a definitive loan for a specific amount and a specific interest rate, after it has concurred in the execution of the proposed lease (see "Execution of Lease Agreement" above). A separate contract amendment for each lease will be tendered. The actual loan authorized by the contract amendment ordinarily will not be made at that time.

1

Types of Definitive Loan

The LPA may borrow funds through private financing by sale in the open market of bonds that are secured by the full faith and credit of the United States.

The LPA also may borrow funds directly from the Federal Government. However, a direct loan may be made only when the sale of bonds in the open market is not feasible for any of the following reasons:

1. The LPA does not have the legal power to engage in private financing.
2. Private financing cannot be arranged at an interest rate lower than the definitive loan interest rate. (See "Interest Rate" below.)
3. Conditions in the open private market are not appropriate for the sale of bonds.
4. The amount of loan required is not large enough to justify private financing.

2.

Interest Rate

The interest rate specified in the contract amendment authorizing the making of a definitive loan will be the highest of the following:

1. The going Federal rate specified by the Secretary of the Treasury as being applicable to the 6-month period in which the contract amendment is authorized.

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CONT.

2. The interest rate for temporary loans determined by the Administrator as being applicable to the 6-month period described in 1 above.
3. The maximum interest rate which the LPA could pay and still be able to repay from annual rents a 40-year loan on the amount of the total capital value of the lease, less 1/8 of 1 percent, adjusted downward to the nearest 1/8 of 1 percent.

The applicable interest rates described in 1 and 2 above are announced in an LPA Letter that is issued on or about January 1 and July 1 of each year.

Amount of Definitive Loan

The actual amount of a definitive loan will be determined by subtracting from the capital value of the leased land the portion, if any, of annual rents received by the LPA before the actual loan is made and which can be applied as partial payment of the capital value of the leased land. The portion of annual rents that can be applied is the amount that remains after the following costs have been paid and/or charged against the rent proceeds:

1. An amount calculated by applying the average rate of interest of direct project temporary loans or preliminary loan notes outstanding for the project to the capital value of the leased land for the applicable period of time.
2. All costs entailed in marketing the definitive loan bonds. In the case of financing in the private market, these costs include, but are not limited to, bond counsel fees; costs of advertising, printing, signature, and examination of bonds; and initial paying agent fees.
3. All amounts required for the initial funding of the definitive loan bond amortization schedule.
4. A reserve equal to the annual rent for 1 year.

The total amount of a bond issue offered for sale in the private market will be rounded to the nearest \$5,000. The principal amount maturing each year will be expressed in multiples of \$5,000.

Timing in Making Definitive Loan

Under the definitive loan agreement, EHFA reserves the right at its own convenience to make a direct Federal definitive loan, to require the marketing of a private loan, or to refinance a direct Federal loan on the

private market. It also reserves the right to determine the maturity date of the bonds and the date on which the bonds are to be sold.

The actual loan generally will be made when HHFA determines that sufficient improvements have been placed on the leased land to adequately secure the repayment of the loan.

REPAYMENT OF DEFINITIVE LOAN

Annual rents shall be used to repay a definitive loan as rapidly as possible. The HHFA Regional Office will furnish to the LPA the amortization schedules for the repayment of the definitive loan. The schedule will show the dates and amounts to be applied each year to retire the principal of the definitive loan. These amounts will be the maximum available from annual rents after provision is made:

1. To pay interest.
2. To pay annual estimated paying agent fees.
3. To pay the LPA for costs of administration, an amount of \$100 per annum for each lease.
4. If a reserve equal to the annual rent for 1 year has not been accumulated from rents received before the date on which the definitive loan is made, a portion of the annual rent received after the definitive loan is made will be set aside as long as necessary to establish the full reserve.

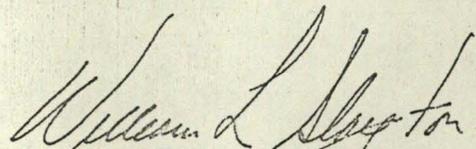
REDEMPTION OF BONDS WITH FUNDS RECEIVED FROM EXERCISE OF OPTION TO PURCHASE

The purchase price paid to the LPA by the lessee to exercise an option to purchase the fee title to the leased land shall be applied first to the redemption of the bonds that are outstanding. (See "Purchase Option" above.)

USE OF RESERVES

The reserve shall be used to pay interest, principal, paying agent fees, and LPA administrative costs whenever any such payments otherwise could not be made from annual rent because of a delinquency or default in rent payments by the lessee. Reserve funds available at the time of final payment on a definitive loan will be applied to the payment of interest and principal of the terminal bonds.

RECEIVED
DEC 28 1964


William L. Slayton
Urban Renewal Commissioner

Amended Cook Agreement WRA

DISTRIBUTION

DEPARTMENT	DATE	ORD. OR RESOL.	CONTRACT
AVIATION DIRECTOR			
STINSON FIELD			
BUDGET			
CITY MANAGER			
ASST. CITY MGR.			
CITY PUBLIC SERVICE			
CITY WATER BOARD			
COMMERCIAL RECORDER			
FINANCE DIRECTOR		/	
ASSESSOR & COLL.			
CONTROLLER			
CORP. COURT			
INTERNAL AUDIT			
PROPERTY RECORDS			
PURCHASING			
FIRE CHIEF			
HEALTH DIRECTOR			
HOUSING & INSP. DIR.			
LEGAL			
BACK TAX ATTY.			
CONDEMNATION ATTY.			
LAND. DIV.			
LIBRARY DIRECTOR			
PARKS & REC. DIR.			
PERSONNEL DIRECTOR			
PLANNING DIRECTOR			
POLICE CHIEF			
PUBLIC INFORMATION			
PUBLIC WORKS DIR.			
ASST. DIRECTOR			
TRAFFIC & TRANSP. DIR.			
URBAN RENEWAL AGENCY		/	
OTHER:			

ITEM NO. 3

ROLL CALL VOTE

MEETING OF THE CITY COUNCIL DATE: SEP 1 1968

MOTION BY: Jones SECONDED BY: Jones

ORD. NO. 34783 ZONING CASE _____

RESOL. _____ PETITION _____

COUNCIL MEMBER	ROLL CALL	AYE	NAY
WALTER W. MC ALLISTER PLACE No. 1, MAYOR		✓	
DR. HERBERT CALDERON PLACE No. 2		✓	
ROBERT C. JONES PLACE No. 3		✓	
S. H. JAMES PLACE No. 4		✓	
MRS. S. E. COCKRELL, JR. PLACE No. 5		✓	
JOHN GATTI PLACE No. 6, MAYOR PRO-TEM		✓	
FELIX B. TREVINO PLACE No. 7		✓	
GERALD PARKER PLACE No. 8		✓	
ROLAND C. BREMER PLACE No. 9		✓	

BRIEFED BY: Shelley

ADDITIONAL INFORMATION:

~~No Deal~~
2 signed copies to
Urban Renewal for signatures
one copy to be returned

JH
9/2
#3

REMARKS: